

REPORT DOCUMENTATION PAGE			Form Approved OMB No. 0704-0188	
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, DC 20503.				
1. AGENCY USE ONLY (Leave Blank)	2. REPORT DATE February 15, 1986	3. REPORT TYPE AND DATES COVERED Final		
4. TITLE AND SUBTITLE The Indo-Pakistan Maritime Boundary: Trouble Ahead?			5. FUNDING NUMBERS	
6. AUTHOR(S) Elizabeth R. Curtis				
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Federal Research Division Library of Congress Washington, DC 20540-4840			8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES) N/A			10. SPONSORING/MONITORING AGENCY REPORT NUMBER	
11. SUPPLEMENTARY NOTES Prepared under an Interagency Agreement			19960523 103	
12a. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited.			12b. DISTRIBUTION CODE	
13. ABSTRACT (Maximum 200 words) This study presents the historical context and economic implication of the undemarcated Arabian Sea boundary between India and Pakistan. Of particular importance is the relationship between this unsettled boundary and the exploitation of petroleum reserves in the continental shelf beneath it. Because Islamabad and New Delhi both adhere to guidelines established by the United Nations Conference on the Law of the Sea, the study also summarizes the legal maritime climate that emerged as the conference proceeded with its work through the 1970s.				
14. SUBJECT TERMS India Pakistan Foreign relations Border disputes			15. NUMBER OF PAGES 14	
			16. PRICE CODE	
17. SECURITY CLASSIFICATION OF REPORT UNCLASSIFIED	18. SECURITY CLASSIFICATION OF THIS PAGE UNCLASSIFIED	19. SECURITY CLASSIFICATION OF ABSTRACT UNCLASSIFIED	20. LIMITATION OF ABSTRACT SAR	



**THE INDO-PAKISTAN MARITIME BOUNDARY:
TROUBLE AHEAD?**

**A Report Prepared under an Interagency Agreement
by the Federal Research Division,
Library of Congress**

February 1986

Author: Elizabeth R. Curtiss

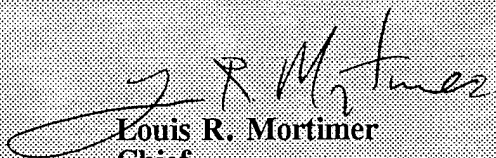
*Federal Research Division
Library of Congress
Washington, DC 20540-4840*

Dear Reader:

This product was prepared by the staff of the *Federal Research Division* of the *Library of Congress* under an interagency agreement with the sponsoring United States Government agency.

The Federal Research Division is the Library of Congress's primary fee-for-service research unit. At the request of Executive and Judicial branch agencies of the United States Government and on a cost-recovery basis, the Division prepares studies and reports, chronologies, bibliographies, foreign-language abstracts, databases, and other tailored products in hard-copy and electronic media. The subjects researched include the broad spectrum of social sciences, physical sciences, and the humanities.

For additional information on obtaining the research and analytical services of the Federal Research Division, please call 202-707-9905, fax 202-707-9920, via Internet frd@mail.loc.gov, or write to *Marketing Coordinator, Federal Research Division, Library of Congress, Washington, DC 20540-4840*.

A handwritten signature in dark ink, appearing to read "Louis R. Mortimer", is positioned above the printed name.

Louis R. Mortimer
Chief

Federal Research Division
Library of Congress
Washington, DC 20540-4840

PREFACE

This study presents the historical context and economic implications of the undemarcated Arabian Sea boundary between India and Pakistan. Of particular importance is the relationship between this unsettled boundary and the exploitation of petroleum reserves in the continental shelf beneath it. Because Islamabad and New Delhi both adhere to guidelines established by the United Nations Conference on Law of the Sea (UNCLOS), the study also summarizes the legal maritime climate which emerged as the conference proceeded with its work through the 1970s.

The study was compiled entirely from open-source materials. The information cutoff date is 15 February 1986.

CONTENTS

	<u>Page</u>
SUMMARY	iv
1. INTRODUCTION	1
2. OFFSHORE CLAIMS BY INDIA AND PAKISTAN	1
3. IMPORTANCE OF DEMARCATING THE BOUNDARY OFF THE RANN OF KUTCH	3
4. ROLE OF OIL	3
a. International Oil Companies in the Rann Offshore Area	3
b. Value of Arabian Sea Oil to India and Pakistan	6
5. CONTACTS BETWEEN INDIAN AND PAKISTANI VESSELS IN THE UNDEMARCATED AREA	6
a. Occurrence of Naval Interceptions	6
b. Local Military Preparedness	6
6. CONCLUSION	7
NOTES	8

APPENDIX

Chronology of Developments Affecting the Indo-Pakistani Boundary in the Arabian Sea	10
--	----

ILLUSTRATIONS

1. Rann of Kutch Award Showing Boundaries Proposed by India and Pakistan	2
2. Arabian Sea Oil Sites, India, 1982	4
3. Arabian Sea Oil Sites, Pakistan, 1982	5

SUMMARY

In the section of the Arabian Sea located immediately off the Rann of Kutch, India and Pakistan face a maritime legal challenge of the most difficult type: demarcation of a mutually agreeable boundary between the Exclusive Economic Zones (EEZs) of adjacent coastal states. Both EEZs extend 200 nautical miles from the coastline (technically defined by a baseline drawn to eliminate irregularities which would follow from strict adherence to the natural shore). By these declarations, the two countries assert control over resources in the continental shelf and territorial sea along an undefined line extending out from their land boundary. (The land boundary was settled by international arbitration in 1968, but the decision did not address offshore areas.)

The discovery and exploitation of oil in both EEZs, right up to the probable boundary line between them, raises the value of the seabed to each country. In January 1986, following a meeting between Indian Prime Minister Rajiv Gandhi and Pakistani President Mohammad Zia-ul-Haq, the two countries announced that bilateral boundary talks would begin shortly. The petroleum ministries of the two countries, anxious to attract major oil companies to the continental shelf, also have promoted diplomatic resolution of the boundary dispute.

Of less urgency is an ongoing harassment campaign in the undemarcated offshore area. Officials of both nations occasionally seize smuggling and fishing boats belonging to citizens of the other country, but these incidents have not led to international-level protests, either at the United Nations or in major media. Local press accounts have consisted of restrained announcements which were quickly dropped by the aggrieved government. Parliamentary enquiries result in terse official announcements that the two governments are discussing matters through normal diplomatic channels. The pattern suggests that both New Delhi and Islamabad wish to prevent the area from becoming a focus for irresponsible political posturing.

THE INDO-PAKISTAN MARITIME BOUNDARY: TROUBLE AHEAD?

1. INTRODUCTION

Although an undemarcated boundary between India and Pakistan seems to present cause for alarm, the 1970s and 1980s have seen such a revolution in maritime definitions that even well-surveyed nations, including the United States, are no longer able to clearly state their limits at sea.¹ Technological and ecological developments in the early 1970s led both developed and developing nations to unilaterally extend offshore protected zones. As a result, international sea and air navigation, as well as the fishing and mineral exploration industries, faced harassment and possible equipment seizures. To deal with the problems, in 1974, the United Nations established the Conference on the Law of the Sea (UNCLOS) to standardize maritime boundary practices in light of new practices.

As UNCLOS proceeded through the 1970s, many nations adopted its emerging concepts in order to unilaterally enlarge maritime protected zones and to undertake bilateral negotiations of common boundaries. India successfully negotiated with four maritime neighbors: Thailand, Indonesia, Sri Lanka, and the Maldives. New Delhi's failure to negotiate with Pakistan reflected the generally poor relations between the two nations and the difficulty of negotiating a boundary between two adjacent states. The degree of the difficulty can be seen from the fact that the United States and Canada, which share the world's longest peaceful border, were also unable to negotiate an extension of that boundary into the Atlantic Ocean, and were forced to submit the matter to the arbitration of the World Court.²

2. OFFSHORE CLAIMS BY INDIA AND PAKISTAN

In 1976, New Delhi amended its constitution to claim all undersea offshore resources for the Indian Union, thus denying individual states any authority over exploitation. At the same time the Maritime Zones Act, 1976, established an EEZ of 200 nautical miles, in consonance with the UNCLOS draft convention. As in the international document, India's EEZ grants other nations full freedom for overflight, for navigation, and for the laying of submarine cables and pipelines. However, exploration for or exploitation of resources in the EEZ may be conducted only with permission from New Delhi. Indian citizens retain full freedom to fish in the EEZ.³

On 31 December 1976, in keeping with New Delhi's precedent, Islamabad enacted the Territorial Waters and Maritime Zones Act, 1976. The Pakistani law follows the UNCLOS draft document and therefore is a mirror image of the Indian statute. Pakistanis retain full freedom to fish in national waters, while all nations retain the right of overflight, navigation, and laying of submarine cables and pipelines. Economic exploration or exploitation, however, requires permission from Islamabad.⁴

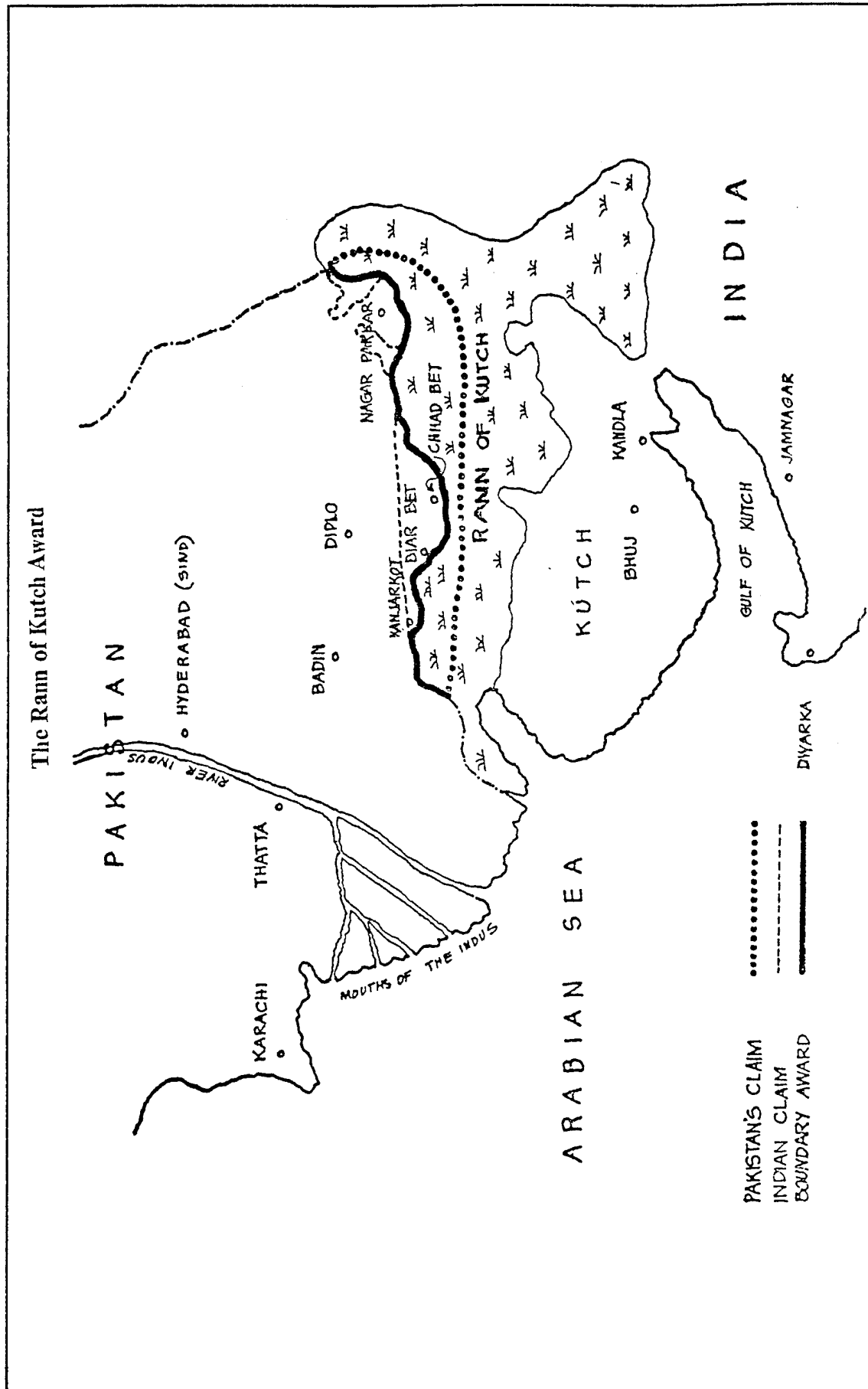


Figure 1. Rann of Kutch Award, Showing Boundaries Proposed by India and Pakistan

Source: Masuma, Hasan, ed. Pakistan in a Changing World (Karachi: Pakistan Institute of International Affairs, 1978), p. 258.

3. IMPORTANCE OF DEMARCATING THE BOUNDARY OFF THE RANN OF KUTCH

The Rann of Kutch is a salt marsh created by high tides and underground seepage of sea water in a low area of the Gujarat desert. The Arabian Sea, which forms the western boundary of the Rann, juts into and forms the marsh by an inlet known as the Gulf of Kutch. The word "Rann" comes from "irana," the Sanskrit term for desert, while Kutch comes from "Kaccha," the Sanskrit term for marsh.⁵ Because of salinity of the seepage from the sea into the water table, the Rann is completely devoid of drinking water and therefore unsettled. Except for access to the petroleum resources under the continental shelf along the Gulf of Kutch, the Rann offers no economic incentive to either bordering nation. Its strategic asset is a rim-like hilly formation overlooking the land approach to Sind.

India and Pakistan fought a brief war in the area in 1965, after which they agreed to international adjudication of the boundary. Neither side was completely happy with the Rann of Kutch award, but both governments overcame political resistance in order to accept it.⁶ The award stopped at the water's edge because in 1968 the offshore area of the Arabian Sea was not considered to be a possible source of contention.

In January 1986, India and Pakistan announced intentions to negotiate the offshore border.⁷ The two petroleum ministries have been in the forefront of efforts to create the climate for negotiations. In 1982, Indian Petroleum Minister P. Shiv Shankhar told the Lok Sabha that delimitation of the boundary was likely to take some time, because Pakistan did not wish to initiate talks until it had completed a coastal survey, adding that New Delhi had repeatedly urged Islamabad to finish its task so talks could begin.⁸ In 1984, Pakistan's Minister for Petroleum and Natural Resources said that Pakistan had begun exploring for offshore oil, but did not wish to proceed with deep sea drilling before settling with India the question of the continental shelf.⁹

Pakistan's National Assembly has also demonstrated concern over the vague nature of the boundary. In August 1984, Islamabad questioned India's jurisdiction over an oil discovery made 50 miles (nautical or land unspecified) from the Pakistani coast off the Rann of Kutch.¹⁰ In September 1985, however, Pakistan's Minister of State for Foreign Affairs, speaking in response to a member's question, informed the National Assembly that India was not exploring for oil in Pakistan's EEZ.¹¹

4. ROLE OF OIL

a. International Oil Companies in the Rann Offshore Area

International oil companies are involved in both exploration and drilling in the Arabian Sea off the Rann of Kutch on behalf of both India and Pakistan. Pakistan's drilling was begun in October 1985 by Petrocanada at locations 129 to 189 km south of Karachi.¹² India introduced its own foreign coparticipants into this region in November 1982, when Chevron was awarded a lease for offshore exploration north of Bombay High.¹³ Although India has invited two more rounds of tender offers for offshore oil exploration by foreign companies, New Delhi's own Oil and Natural Gas Commission (ONGC) was conducting the majority of Indian exploration and drilling as of February

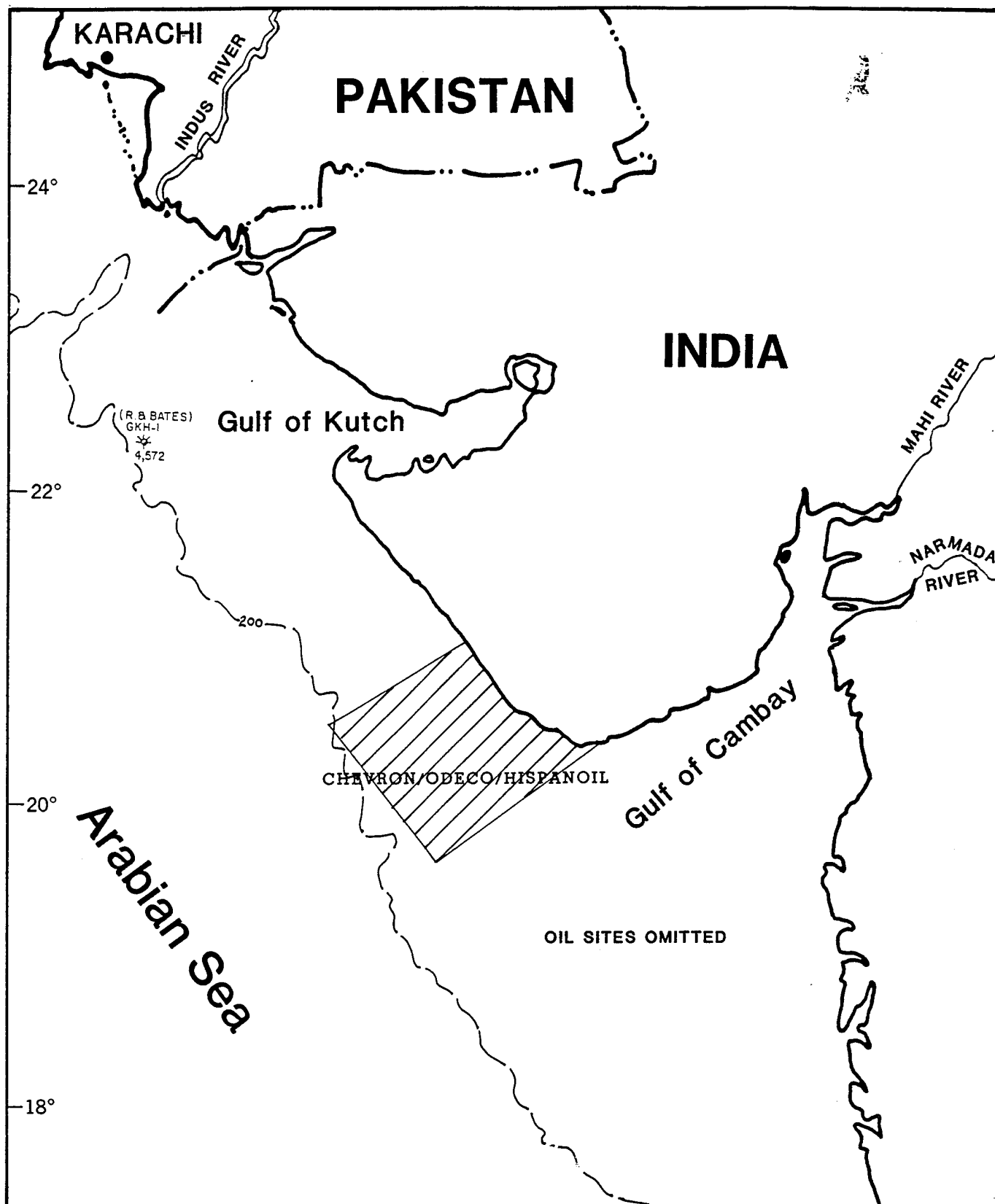


Figure 2. Northernmost Arabian Sea Oil Sites, India, 1982

Source: Adopted from "India" (Geneva: Petroconsultants, S.A.) map.

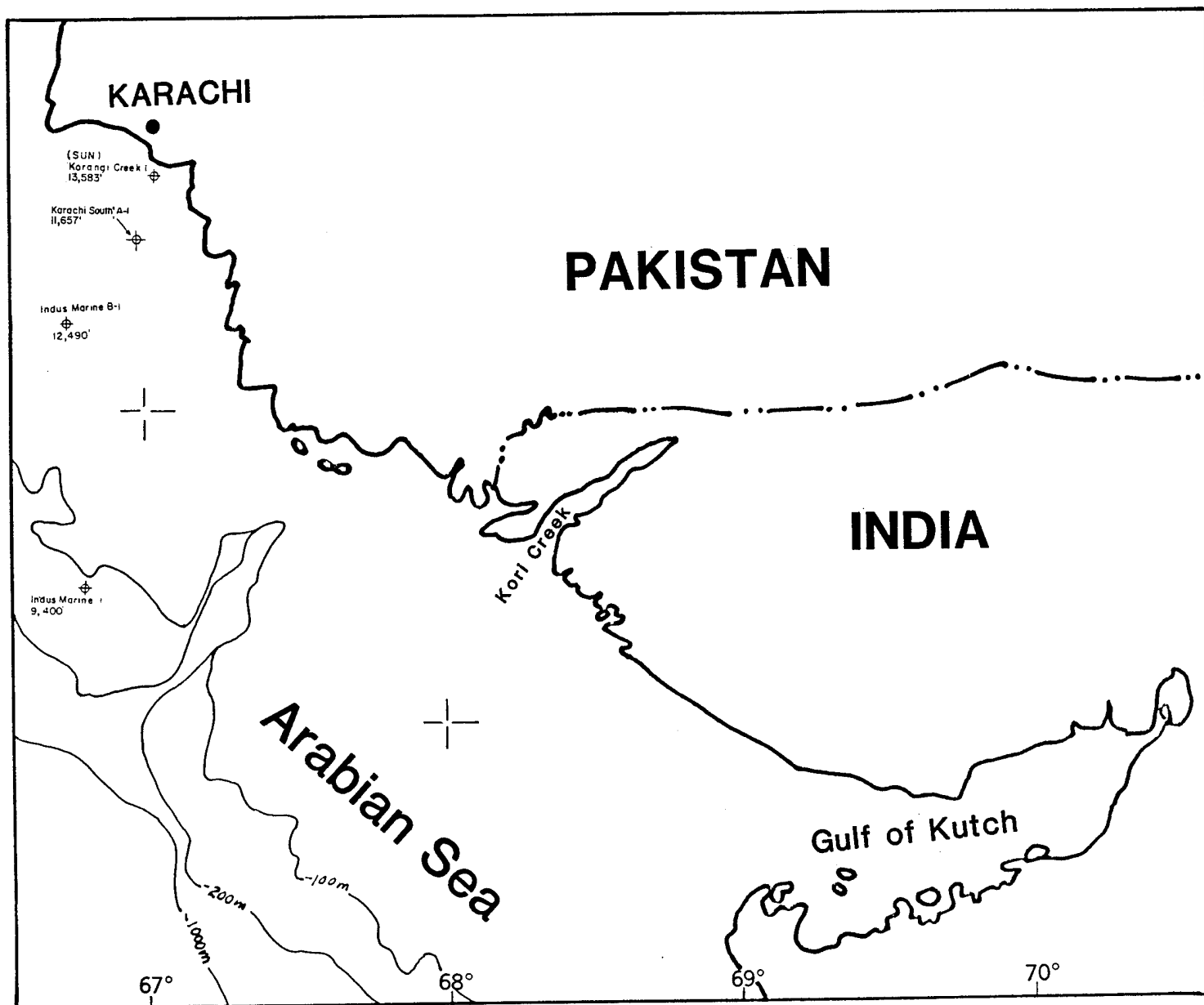


Figure 3. Arabia Sea Oil Sites, Pakistan, 1982

Source: Adopted from "Pakistan" (Geneva: Petroconsultants, S.A.) map.

1986.¹⁴ Because of the expensive technology necessary for offshore oil exploitation, declining international profit margins force nations with offshore holdings to minimize the politically levied costs of recovering their reserves.¹⁵

b. Value of Arabian Sea Oil to India and Pakistan

Both India and Pakistan seek Arabian Sea oil in order to reduce the loss of foreign exchange as payment for foreign petroleum. However, declining world oil prices lessen the value of each barrel which either country produces and of the consequent savings in foreign exchange. A second ceiling on the value of Arabian Sea oil lies in the fixed size of the reserves themselves. Estimates now suggest that current pumping rates will deplete Bombay High, India's most promising Arabian Sea field, by the year 2000.¹⁶ Nevertheless, both countries wish to exploit their offshore petroleum in order to redress serious power shortages which will last through the 1980s and early 1990s.

5. CONTACTS BETWEEN INDIA AND PAKISTANI VESSELS IN THE UNDEMARCATED AREA

a. Occurrence of Naval Interceptions

Fishing and smuggling are both widespread in the Rann offshore area, but there is little information available about seizure or harassment of vessels of one country by officials of the other (see Appendix). United Nations indices show no official protest regarding such incidents. When India has detained Pakistani vessels, Islamabad has not chosen to make major public presentations on the subject, limiting its comments to small press reports. An allegation that Pakistani fired on an Indian vessel was allowed by New Delhi to disappear without much notice. Indian officials estimate that the smuggling trade in the area is worth more than \$20 million, with regular exchange of defense information along with commercial goods. Most of the smugglers are Indian Muslims with ties to Sind.¹⁷

b. Local Military Preparedness

The Arabian Sea off the Gulf of Kutch has not experienced a large military buildup. Both India and Pakistan have announced intentions to upgrade patrolling capabilities, but the plans are vague in nature and modest in scope. Surveillance relies heavily on boats because the Rann is veined with several creeks which are passable by shallow draught vessels. Moreover, from May through October, the entire marsh is submerged to a depth of 4 to 5 feet, making it impassable on foot.¹⁸

On the Indian side of the border, which includes 90 percent of the Rann itself, the Kutch police survey the region with three out-dated, ill-equipped boats. The Border Security Force (BSF) also has patrolling duties, but its only boat has long been out for repairs. To expand protection, New Delhi has called for the coastline to be divided into seven zones surveyed by six launches and seven sea speedboats, with 100 camels patrolling the shore. A police unit with 13 inspectors and eight subinspectors would be headquartered at Mandvi. However, no timetable has been given for implementation of these proposals.¹⁹

Pakistani patrolling capabilities in the Kutch offshore area are unknown. Nevertheless, the region's proximity to the major naval base at Karachi, and the Pakistan Navy's complement of some 40 patrol craft of all classes, hint strongly at some offshore surveillance of the area. Islamabad also is considering establishment of a maritime police force for its EEZ, but has not announced any proposals.²⁰

6. CONCLUSION

The unresolved Arabian Sea boundary between India and Pakistan is not unique in current maritime practice: many pairs of countries face such a decision following the revision of international maritime protected zones during the 1970s. India and Pakistan have announced their intention to resolve the boundary through bilateral negotiation. Should these talks fail, the two countries may submit to international arbitration as they did in 1965 to settle the Rann of Kutch land border.

There are several reasons to believe that these talks, or subsequent arbitration, will peacefully settle this boundary. In the 1970s and 1980s, neither Islamabad nor New Delhi has mounted a persistent campaign to focus international attention on incidents occurring offshore from the Rann. Although in 1984-85, Islamabad appeared to alter its characterization of the waters from "undemarcated" to "disputed," its Petroleum Minister withdrew the allegations. New Delhi has for 20 years maintained a policy of cooperating with and benefitting from changes in international maritime diplomacy. In addition to negotiating maritime boundaries with two small states, Sri Lanka and Maldives, India has negotiated settlements with more powerful neighbors, Indonesia and Thailand. The presence of international petroleum activity in an area of potential conflict further decreases the likelihood of violence by raising the cost that would be incurred by any damage to expensive oil-drilling equipment.

Although both India and Pakistan are expanding naval assets and communications infrastructures, comprehensive control of their coastlines will continue to be elusive. Neither government will welcome a zone of offshore tension because any strategy for concentrating naval resources would leave other sections of coastline without surveillance. Therefore, despite traditional rivalry, India and Pakistan will probably achieve a diplomatic resolution of their undemarcated maritime boundary. Failing a settlement, the two governments will probably continue to tolerate a low-key status quo.

NOTES

¹US Congress, Senate, Committee on Foreign Relations, The Maritime Boundary Treaty with Canada. Hearing on Ex. U, 96-1, The Maritime Boundary Settlement Treaty with Canada, 97th Cong., 1st sess., 1981, p. 34. The record of this hearing demonstrates the high feelings which are aroused by local economic implications of potential boundary locations, even when the two countries are as otherwise amicable as the United States and Canada.

²The Maritime Boundary Treaty with Canada, p. 34.

³P. Chandrasekhara Rao, The New Law of Maritime Zones, with Special Reference to India's Maritime Zones. New Delhi: Milind, 1983, pp. 278-84. Although poorly organized, this book is the single most important work for learning both about UNCLOS and about India's recent strategy in establishing maritime interest zones. Rao is fully aware of the regional implications of each issue he discusses.

⁴Rao, pp. 278-84.

⁵Hari Ram Gupta, The Kutch Affair, Delhi: U.C. Kapur and Sons, 1969, p. 1. The author thinks India should have received the entire contested area, but he criticizes New Delhi's mistakes with thorough analysis and includes numerous press clips and diplomatic notes.

⁶Gupta, p. 1, and Maj. Saeed Ahmad, The Indo-Pak Clash in the Rann of Kutch, Rawalpindi: Army Education Press, 1974. Ahmad's book gives the Pakistani version of the war and subsequent boundary award. Although they are roughly drawn, he includes several maps which show minor geographic features and troop positions during the conflict.

⁷"Paper on Maritime Boundary," Jang (Lahore), 13 January 1986, p. 1, in Foreign Broadcast Information Service: Daily Report South Asia, 22 January 1986, p. F1.

⁸"Delay in Indo-Pak Coastal Survey," Times of India (Bombay), 23 April 1982, n.p.

⁹"Pakistan to Pay New OPEC Price from March 1: Farman," Muslim (Islamabad), 27 March 1984, n.p.

¹⁰"Indian Jurisdiction Over Oil Find Questioned," IDSA News of Foreign Affairs (New Delhi), August 1985, p. 381.

¹¹"India Not Drilling in Pakistan's EEZ: Noorani," Muslim (Islamabad), 15 September 1985, n.p.

¹²"Crude Output Touches New High," Pakistan Times (Lahore), 18 July 1985, p. 1; and "\$30M Canadian Loan Toward Oil Exploration," Muslim (Islamabad), 5 September 1985, n.p.

¹³Petroconsultants S.A., "India," Geneva: Petroconsultants, 1982, map. These excellent maps, sections of which are reproduced as Figures 2 and 3, show each petroleum exploration or exploitation site, giving the names of the organization in charge of the site. The maps carry the disclaimer that they are not an authority on international boundaries, and the two South Asia maps contradict each other on the boundary in question.

¹⁴Petroconsultants S.A. map, 1982.

¹⁵"Foreign Bids for Oil Exploration Soon," Economic Times (New Delhi), 21 June 1985, n.p.

¹⁶"The Aftershocks of \$20 Oil," Business Week (New York), 3 February 1985, p. 26.

¹⁷"End of Oil Boom," Deccan Herald (Bangalore), 15 June 1985, n.p.

¹⁸Times of India (Bombay), 27 March 1985, p. 1.

¹⁹Gupta, p. 2.

²⁰"2-Tier Patrolling for Kutch," Indian Express (New Delhi), 27 November 1985, p. 9.

²¹"India Not Drilling Oil in Pakistan's EEZ: Noorani," Muslim (Islamabad), 15 September 1985, n.p.

APPENDIX

CHRONOLOGY OF DEVELOPMENTS AFFECTING THE INDO-PAKISTANI BOUNDARY IN THE ARABIAN SEA

1968

19 February. An international commission composed of a representative from Yugoslavia (nominated by India), Iran (nominated by Pakistan), and Sweden (nominated by the World Court), awards Pakistan one-tenth (about 300 square miles) of the Rann of Kutch territory. The award stops at water's edge. In accordance with their previous assurances that they would accept the decision of the tribunal, both governments fend off domestic political complaints to ratify the agreement. The tribunal has said that a small area of the Rann of Kutch had historically been associated with and populated by traders based in the Sindh province, which is now part of Pakistan. India retains 3,200 square miles of the Rann of Kutch area.

1969

28 July. The Soviet Union will provide technical aid to India in offshore drilling in the Gulf of Cambay, a major inlet immediately south of the Gulf of Kutch. The Soviet rigs will stretch from Cambay south towards Bombay, rather than north toward the Rann of Kutch. Those aspects of the drilling program which are too difficult for the Soviets will be undertaken by the British firm International Management and Engineering Group (IMEG), chosen in part because they have no equipment or oil concessions to sell. From IMEG's recommendations, India will select one of three companies (Mitsubishi, Zapata, and Offshore Co.) to conduct drilling operations, but New Delhi will retain ownership of the oil itself.

1970

19 October. A report on oil exploration in Pakistan indicates that after losing interest during the 1960s, international companies are renewing searches. Wintershall has leased a block offshore from Karachi.

1974

June. India and Sri Lanka settle their mutual boundary in the Palk Strait. Each country will have exclusive control of islands and resources on its own side of the line, but Indian pilgrims and fishermen will be able to visit a traditional site at Kachchativu without obtaining travel documents from Colombo. Vessels from both nations will continue to enjoy certain traditional rights in the waters on the opposite side of the boundary.

August. New Delhi and Jakarta arrive at an agreement on Indo-Indonesian maritime boundaries, including delimitation of the continental shelf. The entire boundary is based on the median line principle.

1976

March. New Delhi and Colombo establish their common boundary in the Gulf of Mannar and the Bay of Bengal.

July. India, Sri Lanka, and the Maldives establish the point at which their EEZs meet in the sea beyond the Gulf of Mannar. The point is equidistant from the nearest point on each of the three shores.

25 August. The Maritime Zones Act, 1976, receives assent from the President of India, establishing India's 200-nautical-mile EEZ around its entire coastline, including islands.

December. India and the Maldives conclude a maritime agreement extending their maritime boundary from the trijunction point.

31 December. Pakistan passes the Pakistan Territorial Waters and Maritime Zones Act (1976) extending its EEZ 200 nautical miles from all points on its coast. This act conforms to the UNCLOS draft convention, and therefore, to the Indian Maritime Zones Act, 1976.

1977

January. India and Indonesia extend their common boundary up to a point where they would like to establish a trijunction point with Thailand.

1978

June. India, Indonesia, and Thailand establish their trijunction point in the sea off the Andaman Islands.

Undated. Thailand and India settle their boundary in the Andaman Sea. Negotiations continue toward establishing the mutual boundary extending from the trijunction point with Indonesia. Bangkok and New Delhi agree to continue seeking negotiated settlements with Burma and Bangladesh.

1981

9 January. A spokesman for Pakistan's Ministry of Defense denies that 31 Pakistani boats entered Indian territorial waters and opened fire on Indian fishing boats. Nor did Pakistan's Navy take away one of these fishing boats and its personnel. On 7 January All India Radio had broadcast that the Indian Government was investigating an alleged firing on an Indian fishing boat by a Pakistani plane.

1982

23 April. Indian Petroleum Minister P. Shiv Shankar tells the Lok Sabha that delimitation of the Indo-Pakistani maritime boundary is likely to be delayed

for some time. Pakistan wishes to completely survey its coastline before entering into negotiations. India has repeatedly requested that Pakistan take these surveys.

1984

17 March. Pakistan's Minister for Petroleum and Natural Resources, MG (Ret) Rao Farman Ali says that with the assistance of a Norwegian company, Pakistan has begun exploration for offshore oil. However, Islamabad would prefer not to proceed with deep-sea drilling before the question of the continental shelf with India has been settled. Farman says he has only recently become aware of the need to demarcate the continental shelf and the matter will be taken up with the Indian authorities at the earliest opportunity.

27 March. The last decade has seen a sharp increase in land and sea smuggling in the area of the Rann of Kutch. Local seaborne smuggling is worth well over \$20 million, as is overland smuggling between Sindh and Kutch. Many of these gangs also collect and disseminate highly sensitive and classified data on movement of armed units and defense installations. The coast is almost 300 kms and stretches from Maliya Creek to beyond Akhpat; it is scantily policed and sparsely populated.

1 August. Pakistan questions India's jurisdiction over an area offshore from the Rann of Kutch where the ONGC reports it has found oil. Radio Pakistan quotes Indian reports that on 31 July 1984 oil was found about 50 miles from the Pakistan coast in the Gulf of Kutch. Because the continental shelf has been demarcated, discovery of oil so close to Pakistan could be a source of tension. A Pakistani spokesman says that "The matter has been taken up and if it is found that the Indian rig is in Pakistani waters, necessary action will be taken."

23 August. Far Eastern Economic Review reports that India and Pakistan are feeling increased tension over rival claims to an offshore oilfield which is considered to be promising. The field is located 80 kilometers from Pakistan's coast in the Gulf of Kutch. ONGC has been drilling in the area and describes the oil as being of commercial value, although it is not clear how much of this oil is actually recoverable.

15 October. Pakistan wants India to return a fishing boat and 15 crew members which were seized northwest of the Indian coast 6 weeks earlier. The boat is a 42-foot trawler which was with a group of 30 Pakistani boats when an Indian patrol craft appeared and started firing into the air. The other Pakistani boats promptly withdrew, but the vessel which was captured was stranded because of fear on the part of the crew. India is also holding another Pakistani trawler seized earlier this year, but that crew has been released.

1985

15 June. The Indian Government's recent decision to drop the Mangalore Refinery Project indicates that the oil boom is ending, and the dream of petroleum independence cannot be realized. The last major oil strike in India

was at Bombay High, and the Cauvery Basin fields are unlikely to prove commercially worthwhile. At the current rate of production, Bombay High will go dry in 15 years.

20 June. India announces that it will soon invite the third round of bids from international oil companies wishing to undertake offshore exploration. Terms and conditions offered by foreign companies in previous rounds are under study in order to provide fair terms for all parties.

22 June. ONGC announces that satellite communication facilities are planned and partially implemented between its Bombay High offshore and onshore complexes. The three terminals are located at Bombay High North (BHN) platform, South Bassein platform, and at Uran on-shore site. Most of the equipment is from abroad. The BHN and Uran terminals have been in operation since February 1985, and the South Bassein is to be prepared as soon as possible. BHN-Uran link is designed for a 12-channel capacity, 8 of which are in use. There is a data channel which permits instant availability of data at the Bandra headquarters from the BHS computer. The remaining four channels are also for data and will become operational after installation of onshore computers in early 1986.

18 July. A Canadian company will begin drilling for Pakistani oil in the Arabian Sea about 180 kms south of Karachi, where it has been granted a 3,000-square-mile (nautical or land not specified) concession.

1 September. Petrocanada has begun drilling for oil at an offshore site 129 kms south of Karachi. Canada has provided a 30-million-Canadian-dollar soft loan for the project.

14 September. Pakistan's Minister of State for Foreign Affairs, Zain Noorani, answering written questions in the National Assembly, contradicts reports that India is engaged in off-shore drilling in Pakistan's Exclusive Economic Zone. Noorani adds that authorities are considering establishing a marine police to guard the country's EEZ. This specially equipped sea police would be established and trained along the same lines as the civil armed forces.

27 November. The Indian Government announces plans to upgrade its naval protection in the Gulf of Kutch and nearby areas. 300+ km of coastline will be divided into seven separate patrolling zones which will be covered by six launches and seven speedboats. There will be 100 camels for shore patrolling. A coastal police unit has been proposed, to be set up under the district police and headquartered at Mandvi. This unit would have 13 inspectors and 8 sub-inspectors. Kutch police presently possess three boats, all of which are outdated and ill-equipped. A two-tier patrolling system along the coast would provide an effective vigilance system from Tuna to Narayan Sarovar. Of particular interest is the Jakhau area and Kori creek, lying near the Pakistani border and attracting hundreds of trawlers each fishing season. Because of its various depths, Kori Creek would require sophisticated boats. Currently, Kori Creek is the responsibility of the Border Security Force, which has only one appropriate boat, which has long been under repair. Radar may eventually be added to the system. This is not the first time the Indian Government has addressed itself to an ambitious plan for this area "which is becoming increasingly important strategically."

9 December. Pakistan's National Assembly again inquires into the fate of 25 Pakistani fishermen who have been detained in India since being captured last October by the Indian Navy operating in waters claimed by Pakistan. Officials inform the parliament that the Pakistan Foreign Office is using normal diplomatic channels to obtain the release of the men and the boats.

1986

3 January. Sources close to the Indian Government indicate that Islamabad and New Delhi have been making aerial surveys of the Suri Creek area in the Rann of Kutch prior to negotiations on the maritime boundary. This information will be used by the Surveyors-General of the two countries in determining a baseline to establish a median line from which the boundary can be extended between the two EEZs. New Delhi may be hoping to use a settlement with Pakistan as an example to Bangladesh, because Dhaka has been New Delhi's most recalcitrant neighbor in the process of demarcating maritime boundaries.

10 January. At New Delhi's request, India and Pakistan postpone a meeting which was to have been held 12 January at which experts from both countries were to discuss the Indo-Pakistan maritime boundary. India wants more time to prepare its case. The discussion is expected to be held about 2 weeks behind schedule. The Foreign Ministers of the two countries may also discuss this topic at an upcoming meeting.

13 January. India and Pakistan agree to negotiate two important undemarcated boundary areas, the Siachin glacier and the Arabian Sea maritime boundary. Fighting has occurred in the former area, but not the latter. The land boundary at water's edge may be fixed at Suri Creek, from which point a line will be drawn out to sea. India has suggested that the line extend from Pakistan's side of the creek, Pakistan suggests the opposite. Negotiations on these topics follows meetings between Indian Prime Minister Rajiv Gandhi and Pakistani President Mohammad Zia-ul-Haq. Dates for the talks have not been announced, but top officials of the two countries will meet soon, beginning with a meeting of the two Defense Ministers in New Delhi by the end of April 1986.